

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

STB FINANCE DOCKET NO. 35520

**THE NEW BRUNSWICK RAILWAY COMPANY
- CONTINUANCE IN CONTROL EXEMPTION -
MAINE NORTHERN RAILWAY COMPANY**

PETITION FOR EXEMPTION



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SURFACE TRANSPORTATION BOARD**

STB FINANCE DOCKET NO. 35520

**THE NEW BRUNSWICK RAILWAY COMPANY
– CONTINUANCE IN CONTROL EXEMPTION –
MAINE NORTHERN RAILWAY COMPANY**

PETITION FOR EXEMPTION

The New Brunswick Railway Company (“NBRC”), a non-carrier, pursuant to 49 USC § 10502 and 49 CFR Part 1121, hereby petitions the Surface Transportation Board (“Board” or “STB”) to exempt its continuance of control over Maine Northern Railway Company (“MNRC”), currently a non-carrier, from the prior approval requirements of 49 USC §§ 11323 and 11324. MNRC will become a rail carrier upon filing of its Notice for a Modified Certificate of Public Convenience and Necessity under 49 CFR § 1150.23. MNRC is ready to file its Notice for a Modified Certificate of Public Convenience and Necessity at any time. NBRC also controls Eastern Maine Railway (“EMR”), a Class III carrier. Given the need to prevent an interruption in rail service to the shippers and communities of northern Maine, **NBRC is requesting expedited treatment of this Petition for Exemption.** In support hereof, NBRC states as follows:

I. Background

On February 25, 2010, the Montreal, Maine & Atlantic Railway (“MMA”) filed an application for abandonment of approximately 233 miles of rail line in northern Maine.

Montreal, Maine & Atlantic Railway, Ltd. – Discontinuance of Service and Abandonment – In Aroostook and Penobscot Counties, Maine, STB Docket No. AB-1043 (Sub-No. 1) (“MMA Abandonment”). The abandonment proceeding at the Board generated a great deal of interest in Maine due to the heavy use of the rail line by shippers and communities in northern Maine. The State of Maine and numerous shippers filed protests regarding the proposed abandonment. The Board scheduled a public hearing in Maine to hear testimony regarding use of the rail line and the abandonment application; this hearing eventually occurred in Presque Isle, Maine on July 7, 2010. Meanwhile, MMA and the State of Maine were attempting to negotiate a sale of the rail line to the State. In an attempt to raise funds for the possible acquisition, an ultimately successful bond referendum was put before voters in Maine in June 2010.

The Board played a large role in facilitating negotiations between MMA and the State, including extending the normal procedural schedule for abandonment applications, and noted in a public decision that “a negotiated settlement would be in the best interests of the parties and the public in this case.” See decision served May 25, 2010. As negotiations continued, it became clear that a sticking point was the fact that any new rail operator of the MMA line proposed for abandonment would be able to interchange with MMA only.¹ The State of Maine (and several shippers) asserted that any new rail operator should have trackage rights over MMA to enable interchange with railroads other than MMA. In a decision served July 20, 2010, the Board requested additional comments on this access issue.

On October 20, 2010, the State and MMA jointly notified the Board that they had reached agreement on terms by which MMA would sell the rail line to the State for continued rail service. The State and MMA provided specific details of their agreement to the Board on

¹ MMA proposed abandoning an internal segment of its line which connected only to MMA itself at the northern and southern ends of the line proposed for abandonment.

December 9, 2010, including the agreement of MMA to provide permanent overhead trackage rights to the new rail operator between Millinocket, ME and Brownville Junction, ME, and between Madawaska, ME and St. Leonard, NB. These overhead trackage rights would allow the new rail operator to interchange with railroads other than MMA.

The State also informed the Board in the December 9th filing that the State was invoking the class exemption dealing with rail lines approved for abandonment that have been acquired by state governments. 49 CFR § 1150.22. See also Common Carrier Status of States, State Agencies and Instrumentalities, and Political Subdivisions, 363 ICC 132 (1980), *aff'd sub nom. Simmons v. ICC*, 697 F.2d 326 (D.C. Cir. 1982). Under this class exemption, the acquisition by the State of Maine of the MMA line proposed for abandonment would not be subject to Board jurisdiction and, in fact, the State would not become a common carrier. The State informed the Board that, should everything go according to plan, it intended to hire a third party rail operator to provide service on the MMA line proposed for abandonment.

On December 27, 2010, the Board granted the MMA application, finding the public convenience and necessity permitted abandonment of the relevant rail line. The Board recognized that MMA and the State had agreed on terms of a sale of the line, including the trackage rights described above. The Board noted that “[t]he State is investing public money to preserve rail service over a failing line and is proposing to use an operator in order to maintain service.” MMA Abandonment, slip op. at 21. Additionally, the Board stated that MMA had agreed to continue as an “interim operator” under a Modified Certificate from the date of sale until the State’s new operator began providing service. *Id.*

MMA conveyed the line to the State on January 14, 2011. During the winter and early spring, the State searched for a new rail operator for the line. MMA has been providing rail

service on the line pursuant to its Modified Certificate. See generally Montreal, Maine & Atlantic Railway, Ltd. – Modified Rail Certificate – in Aroostook and Penobscot Counties, ME, STB Docket No. 35463 (served Jan. 26, 2011). Upon being selected as the new rail operator in April 2011, MNRC has been preparing to provide service to the shippers and communities of northern Maine.

Recently, MMA notified the Board that it would cease its operations on the State-owned lines on or about June 14, 2011. See MMA’s “Notice of Intent to Terminate Service”, STB Docket No. 35463 (filed April 14, 2011). The imminent cessation of operations by MMA has created the very real possibility that the shippers and communities of northern Maine will be without rail service until MNRC and NBRC obtain all required regulatory approvals, as described in Section II.

II. Coordination with Other Proceedings

In approving the MMA abandonment, the Board recognized that MMA and the State had agreed on terms of a sale of the line, including certain trackage rights for the new rail operator on MMA lines at the north end and the south end of the State-owned lines. The Board stated that a “key part of the agreement between the State and MMA is the latter’s expressed willingness to grant trackage rights to the State’s operator over MMA’s track at the north and south ends of the line to access other carriers.” MMA Abandonment, slip op. at 21-22.

The new rail operator, MNRC, has filed, under separate cover, two Notices of Exemption regarding the trackage rights over MMA. At the northern end, MNRC filed a Notice of Exemption in FD No. 35518 regarding overhead trackage rights on MMA between Madawaska, ME (at or about milepost 260 on MMA’s Madawaska Subdivision) and connection to the Canadian National Railway (“CN”) in St. Leonard, NB (at or about milepost 194.1 on CN’s

Nappadoggin Subdivision), plus additional trackage described more completely in the relevant trackage rights agreement.² At the southern end, MNRC has filed a Notice of Exemption in FD No. 35519 regarding overhead trackage rights over MMA between Millinocket, ME (at or about milepost 109 on MMA's Millinocket Subdivision) and Brownville Junction, ME (at or about milepost 104.84 on the Mattawamkeag Subdivision of the Eastern Maine Railway), including MMA's Brownville Junction Yard. These trackage rights will enable MNRC to provide more efficient operations by enabling interchange with CN in St. Leonard, NB and with EMR in Brownville Junction, ME. Additionally, the trackage rights will increase the likelihood that MNRC's operations will be financially viable, a condition that would benefit communities and shippers in northern Maine by continuing rail service on a rail line that had been approved for abandonment.

EMR, like MNRC, is wholly owned by NBRC, a non-carrier. Upon filing its Notice for a Modified Certificate under 49 CFR § 1150.23, MNRC would become a Class III rail carrier. EMR, too, is a Class III carrier. Therefore, NBRC's control of two separate rail carriers would be subject to 49 USC § 11323 and the prior approval requirements of 49 USC § 11324. The trackage rights exemption being filed under separate cover in FD No. 35519 would enable MNRC to interchange with EMR at Brownville Junction, ME. Due to this fact, NBRC may not use the Notice of Exemption process to obtain exemption from the prior approval requirements of 49 USC §§ 11323 and 11324. See 49 CFR § 1180.2(d)(2). Therefore, NBRC is filing this Petition for Exemption from the prior approval requirements of 49 USC §§ 11323 and 11324 under 49 CFR Part 1121.

² While the trackage rights agreement continues to the interchange with CN in St. Leonard, NB, MNRC has noted that it recognizes Board jurisdiction would extend to the U.S.-Canada border between Van Buren, ME and St. Leonard, NB.

Given MMA's plan to cease operations on or about June 14, 2011, the shippers and communities of northern Maine will be without rail service from that date until MNRC has received necessary regulatory approvals from the Board. Normally, this situation would not be a problem because a carrier operating under a Modified Certificate (like MNRC) can begin operations as soon as its Notice for a Modified Certificate is filed at the Board. 49 CFR § 1150.23(a). However, the trackage rights that are an integral part of the sale agreement between MMA and the State will enable MNRC to interchange with EMR at Brownville Junction. Therefore, NBRC, the owner of both MNRC and EMR, is filing this Petition for Exemption under 49 CFR Part 1121 to continue in control of both MNRC and EMR. An exemption obtained through the Petition for Exemption process "generally will be effective 30 days from the service date of the decision granting the exemption." 49 CFR § 1121.4(e). Recent Petition for Exemption proceedings at the Board have lasted two to four months from filing date to effective date. Therefore, MNRC cannot begin rail operations on the State-owned lines until NBRC has received an exemption to continue in control of two rail carriers.

Due to the inter-related nature of the various pending and imminent proceedings at the Board involving rail service in northern Maine, NBRC respectfully requests that:

1. In the Board decision regarding MNRC's Notice of Exemption in FD No. 35518 for the trackage rights between Madawaska, ME and St. Leonard, NB, the Board state that the trackage rights become effective upon the effective date of NBRC's Petition for Exemption to acquire control of two rail carriers. Given the decision of MMA to cease service on or about June 14, 2011, **MNRC will respectfully request that the Board expedite the effective date of the Notice of Exemption to June 15, 2011, or as soon thereafter as reasonably possible.**

2. In the Board decision regarding MNRC's Notice of Exemption in FD No. 35519 for the trackage rights between Millinocket, ME and Brownville Junction, ME, the Board state that the trackage rights become effective upon the effective date of NBRC's Petition for Exemption to acquire control of two rail carriers. Given the decision of MMA to cease service on or about June 14, 2011, **MNRC will respectfully request that the Board expedite the effective date of the Notice of Exemption to June 15, 2011, or as soon thereafter as reasonably possible.**
3. The Board handle NBRC's Petition for Exemption in FD No. 35520 on an expedited basis in recognition of the fact that no MNRC operations can commence anywhere, whether on the State-owned lines or on MMA via the overhead trackage rights, until exemption has been granted for NBRC to acquire control of two rail carriers. Precedent exists for expedited handling of a Petition for Exemption to control two rail carriers. **James George and J&G Holding Company, Inc. – Continuance in Control Exemption – Saginaw Bay Southern Railway Company, STB Docket No. 34730 (served Oct. 17, 2005) ("James George")**. In particular, **NBRC respectfully requests that the Board issue its decision on the Petition for Exemption on or before June 1, 2011, and that the Board establish an effective date for the Petition for Exemption (and the Trackage Rights Agreements) of June 15, 2011, or as soon thereafter as reasonably possible.**
4. The Board take note of the fact that MNRC will file its Notice for a Modified Certificate of Public Convenience and Necessity under 49 CFR § 1150.23 in FD No. 35521 on the same day that the Board indicates NBRC's Petition for Exemption will be effective.

To ensure that all interested parties have notice, given the expedited treatment requested, NBRC has served its Petition for Exemption on all parties of record from STB Docket No. AB-1043 (Sub-No. 1), Montreal, Maine & Atlantic Railway, Ltd. – Discontinuance of Service and Abandonment – In Aroostook and Penobscot Counties, Maine. Additionally, to facilitate the expedited treatment requested herein, NBRC is specifically requesting that the Board adjust and/or reduce applicable time periods. NBRC requests that all comments on this Petition be due within 8 days rather than the usual 20 days. Normally, stay petitions would be due within 10 days of the service date of the Board decision, and petitions for reconsideration or petitions to reopen would be due within 20 days of the service date of the Board decision. 49 CFR § 1121.4(e). NBRC respectfully requests that the Board state that stay petitions are due June 10, 2011, and that petitions for reconsideration or petitions to reopen are also due June 10, 2011.

III. Information Required by 49 CFR § 1180.4(g)

49 CFR § 1180.6(a)(1)(i)

The proposed transaction involves NBRC's continuing in control of MNRC when MNRC becomes a rail carrier. EMR, a Class III carrier, is wholly-owned by NBRC and operates between Brownville Junction, Maine and the U.S.-Canada border at Vanceboro, Maine. MNRC is also wholly-owned by NBRC, and it would become a carrier upon the effectiveness of the various proceedings listed in Section II. MNRC would operate between Madawaska, ME and Millinocket, ME on rail line owned by the State of Maine. Additionally, MNRC would operate via overhead trackage rights on MMA as described above. Further description of the proposed transaction can be found in Sections I and II above.

Control by NBRC over both EMR and MNRC implicates 49 USC §§ 11323 and 11324. Normally, NBRC could file a Notice of Exemption under 49 CFR § 1180.2(d)(2) to enable

NBRC to continue in control of EMR and MNRC. However, the trackage rights described above would allow MNRC to interchange with EMR at Brownville Junction, ME. Hence, NBRC is filing this Petition for Exemption under 49 CFR Part 1121. As explained below, NBRC meets the criteria for an individual exemption under 49 USC § 10502. The continuance in control (1) will promote several national rail transportation policy goals; (2) is limited in scope; and (3) raises no threat to subject shippers to abuse of market power. NBRC respectfully requests that the Board grant this Petition.

The applicant is: The New Brunswick Railway Company
300 Union Street, 12th floor
P.O. Box 5777
Saint John, New Brunswick
Canada E21 4M3
506.632.7777 (phone)

Correspondence related to this proceeding should be addressed to:

Karyn A. Booth
David E. Benz
Thompson Hine LLP
Suite 800
1920 N St. NW
Washington, DC 20036
202.331.4108 (phone)
202.331.8330 (facsimile)

49 CFR § 1180.6(a)(1)(ii)

As described above, NBRC respectfully requests that the Board handle NBRC's Petition for Exemption on an expedited basis in recognition of the fact that no MNRC operations can commence anywhere, whether on the State-owned lines or on MMA via the overhead trackage rights, until exemption has been granted for NBRC to control two rail carriers. Precedent exists for expedited handling of a Petition for Exemption to control two rail carriers. James George, STB Docket No. 34730 (served Oct. 17, 2005). See also Pinsky Railroad Company – Control

Exemption – Warren & Saline River Railroad Company, STB Docket No. 35293 (served Nov. 3, 20009). In particular, NBRC respectfully requests that the Board issue its decision on the Petition for Exemption on or before June 7, 2011, and that the Board establish an effective date for the Petition for Exemption (and the Trackage Rights Agreements) of June 15, 2011. See Section II above regarding the requested coordination with other proceedings.

49 CFR § 1180.6(a)(1)(iii)

The purpose of the proposed transaction is to facilitate rail service to shippers and communities on the State-owned rail lines in northern Maine, over which MNRC plans to obtain a Modified Certificate under 49 CFR § 1150.23.

49 CFR § 1180.6(a)(5)

Upon the effectiveness of the various proceedings listed in Section II above, MNRC will be a rail carrier with operations in Maine. EMR currently also operates in Maine.

49 CFR § 1180.6(a)(6)

A map is attached at Exhibit 1. Furthermore, NBRC has enclosed 20 additional unbound maps.

49 CFR § 1180.6(a)(7)(ii)

There is no agreement specific to NBRC's control of MNRC and EMR.

49 CFR § 1180.4(g)(2)(i)

Pursuant to 49 USC § 11326(c), there is no labor protection required for transactions under 49 USC §§ 11324 and 11325 involving only Class III carriers. Accordingly, the Board may not impose labor protective conditions here because the carriers involved, MNRC and EMR, are or would be Class III carriers. James George, slip op. at 2.

49 CFR § 1180.4(g)(2)(ii)

There is no caption summary applicable to the proposed transaction.

49 CFR § 1180.4(g)(2)(iii)

The Board's regulations governing petitions for exemption under 49 USC § 10502 require compliance with environmental impact and notice requirements under 49 CFR Part 1105 "if applicable." 49 CFR § 1121.3(b).

Under 49 CFR § 1105.6(c)(2)(i), no environmental documentation need be prepared for a control transaction that will not result in (1) a traffic diversion from rail to motor carriage of more than 1000 carloads per year or 50 carloads per mile; (2) a 100 percent increase in rail traffic or rail yard activity; (3) increases of more than 10 percent or 50 vehicles per day in truck traffic; or (4) certain increases in rail or truck traffic in Class 1 or non-attainment areas under the Clean Air Act. 49 CFR §§ 1105.7(e)(4) and (e)(5). There are no Class 1 areas near tracks of EMR or tracks on which MNRC proposes to operate, and the Environmental Protection Agency does not show any non-attainment areas in Maine. Moreover, NBRC's continuance in control of EMR and MNRC will not lead to significant changes in rail operations or traffic volumes that meet these thresholds, and therefore no environmental documentation is required.

A control transaction that does not substantially change the level of maintenance of railroad property is exempt from regulations requiring the preparation of a historic report. 49 CFR § 1105.8(b)(3). NBRC's continuance in control contemplates no substantial changes in maintenance of EMR or MNRC, and, therefore, no historic report is required.

IV. Argument

Pursuant to 49 USC §§ 11323 and 11324, NBRC's continuation in control over MNRC upon MNRC becoming a rail carrier is subject to prior approval requirements. However, the

Board, “to the maximum extent consistent with this part, shall exempt a person...or a transaction” from the prior approval requirements when the Board finds: (1) prior approval is not necessary to carry out the rail transportation policy of 49 USC § 10101; and (2) either (a) the transaction is of limited scope, or (b) regulation is not necessary to protect shippers from an abuse of market power. As shown below, all three criteria exist in this case and the Petition for Exemption should be approved.

A. Regulation is not needed to carry out the Rail Transportation Policy

Evaluation of NBRC’s proposed continuance of control in light of the enumerated items in the Rail Transportation Policy (“RTP”) reveals that regulation is not needed. Detailed scrutiny of the transaction is not necessary to carry out the RTP, and none of the RTP policies would be harmed by granting the exemption. In fact, the proposed continuance of control by NBRC will actually foster the RTP. As described above, MNRC plans to begin operations on State-owned rail line in northern Maine that was recently approved for abandonment by the Board. See MMA Abandonment, STB Docket No. AB-1043 (Sub-No. 1) (served Dec. 27, 2010). Absent rail service by MNRC, it is unclear if any entity would be willing to provide rail service on a rail line where the Board recently found that MMA suffered a “substantial economic burden” from operations. MMA Abandonment, slip op. at 15.

Moreover, MMA recently announced that its interim operations under its Modified Certificate would cease on or about June 14, 2011. If NBRC were forced to use the full application process, the delay and expense in seeking approval to continue in control of MNRC would create economic hardship for MNRC and would leave shippers and communities in northern Maine without rail service for several months.

Therefore, granting the Petition for Exemption would “ensure the development and continuation of a sound rail transportation system...to meet the needs of the public.” 49 USC § 10101(4). Moreover, allowing NBRC to use the exemption process would “minimize the need for Federal regulatory control over the rail transportation system.” 49 USC § 10101(2). It would also “reduce regulatory barriers to entry into and exit from the industry.” 49 USC § 10101(7). See generally James George, slip op. at 2.

By enabling NBRC to continue in control of MNRC when it becomes a rail carrier will also “foster sound economic conditions in transportation, ensure effective competition and coordination between rail carriers, and encourage efficient management.” Pinsly, STB Docket No. 35293, slip op. at 2 (served Nov. 3, 2009). See also Genesee & Wyoming Inc. – Control Exemption – South Buffalo Railway Company, STB Docket No. 34107, slip op. at 2 (served Nov. 21, 2001). See also 49 USC § 10101(5) and 10101(9). NBRC’s existing knowledge of the rail industry in Maine will aid MNRC’s operations and service to the public in Maine. Id. The trackage rights that MNRC proposes to use to interchange with EMR at Brownville Junction will actually increase the efficiency of rail operations in the area, and give MNRC a greater chance to be economically viable despite its operations on a line recently approved for abandonment. Cf. Genesee & Wyoming Inc. – Continuance in Control Exemption – Chattahoochee Bay Railroad, Inc., STB Docket No. 34913, slip op. at 3 (served Nov. 9, 2006) (noting that the proposed transaction “will result in new connections within the same corporate family”).

A loss of rail service in northern Maine, or simply a multi-month delay between the time that MMA ceases operations and the time that MNRC can begin operations, would contravene RTP (14) by forcing rail traffic to less fuel-efficient motor carriers. Conversely, granting the

Petition for Exemption on an expedited basis will “encourage and promote energy conservation.”
49 USC § 10101(14).

B. The transaction is limited in scope

Operations of MNRC will consist of operating approximately 233 miles of rail line owned by the State of Maine. All rail operations of MNRC will take place in northern Maine.³ Due to this limited geographical area, NBRC’s continuance in control of MNRC is limited in scope. Furthermore, MNRC will only be a Class III carrier. Normally, NBRC’s control of both MNRC and EMR would be eligible for a Notice of Exemption under 49 CFR § 1180.2(d)(2), but the fact that MNRC is obtaining overhead trackage rights on MMA that enable interchange with EMR means that NBRC has had to use the Petition for Exemption process. In this situation, the transaction is limited in scope and the exemption applies.

C. Regulation of the transaction is not needed to protect shippers from abuse of market power

In the proposed transaction, NBRC will continue in control of MNRC as the latter becomes a rail carrier and begins providing rail service pursuant to a Modified Certificate on State-owned rail lines in northern Maine. NBRC already controls EMR, a Class III carrier with operations in eastern Maine.

There is no abuse of market power here. Instead, the commencement of operations by MNRC will aid shippers by providing rail service where none would otherwise exist on a “failing line.” MMA Abandonment, slip op. at 21-22. MMA has already informed the Board that it will cease rail operations on the State-owned rail lines on or about June 14, 2011. Therefore, shippers and communities in northern Maine will be without rail service until

³ Via proposed trackage rights on MMA, MNRC would be able to travel over the border from Van Buren, ME to reach a connection to CN in St. Leonard, NB.

MNRC's operations begin. Requiring NBRC to use the full application process will leave shippers without rail service for months, therefore detailed scrutiny would harm shippers, not help. The State of Maine and several other entities have expressed their support for MNRC starting operations on June 15, 2011. See Exhibit 2.

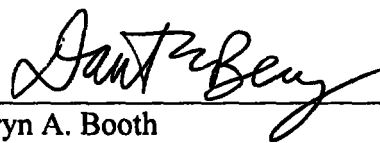
No shippers will lose access to rail service as a result of the proposed transaction. Cf. James George, slip op. at 2. Indeed, shippers have a greater chance of losing rail service if MNRC cannot begin operations in a timely fashion. If and when MNRC can use overhead trackage rights from Madawaska to St. Leonard and from Millinocket to Brownville Junction, there will be no lessening of rail competition or adverse impact on rail operations. Instead, the overhead trackage rights will merely enable MNRC to provide more efficient service to shippers in northern Maine.

Additionally, the rail lines on which MNRC will operate and provide service to shippers have recently been found by the Board to be money-losing to such a degree that abandonment was warranted. The proposed transaction will ensure a continuation of service on these troubled rail lines. Therefore, "[r]egulation of the transaction is not needed to protect shippers from an abuse of market power, as there will be no adverse impact on rail operations or any lessening of rail competition." South Buffalo, STB Docket No. 34107, slip op. at 2 (served Nov. 21, 2001). Instead of harming shippers, the "more likely result would be an enhancement of shippers' rail service options." Id.

V. **Conclusion**

For the foregoing reasons, NBRC requests that the Board expeditiously grant its Petition for Exemption to continue in control from the prior approval requirements of 49 USC §§ 11323 to 11325.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "David E. Benz", written over a horizontal line.

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*Attorneys for The New Brunswick Railway Company
and Maine Northern Railway Company*

May 20, 2011

CERTIFICATE OF SERVICE

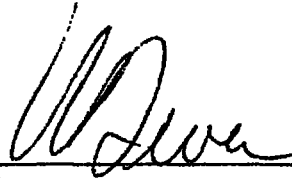
I hereby certify that this 20th day of May 2011, I served a copy of the foregoing upon all parties of record in STB Docket No. AB-1043 (Sub-No. 1) via first-class mail, postage prepaid.



David E. Benz

VERIFICATION

I, William Dever, verify under penalty of perjury that the foregoing Petition for Exemption is true and correct to the best of my knowledge. Further, I certify that I am qualified and authorized to file this statement.

A handwritten signature in black ink, appearing to read 'W. Dever', is written over a horizontal line.

William Dever
Assistant Secretary

Executed on May 18, 2011

Exhibit 1

(map)

Railways of Maine

From	To	Distance (miles)
Madawaska	Van Buren	27.0
Madawaska	Millinocket	151.0
Millinocket	Brownville	37.0
Oakfield	New Limerick	10.6
Oakfield	Houlton	16.9
Squa Pan	Presque Isle	25.3
Squa Pan	Easton	35.3
Squa Pan	Caribou	40.0
Squa Pan	Limestone	55.2

Legend

- Maine Northern Railway
- - - Trackage Rights
- MMA
- EMRNBSR
- PAN AM
- SLR
- OTHER

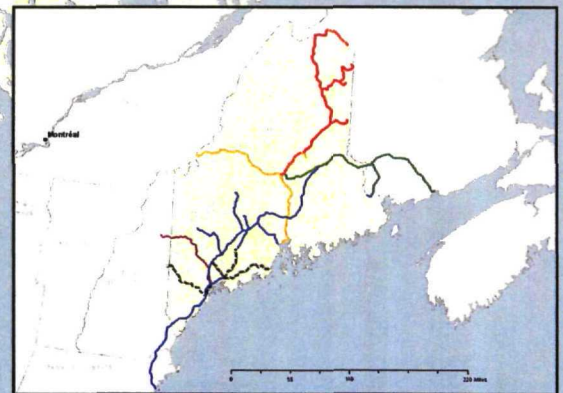
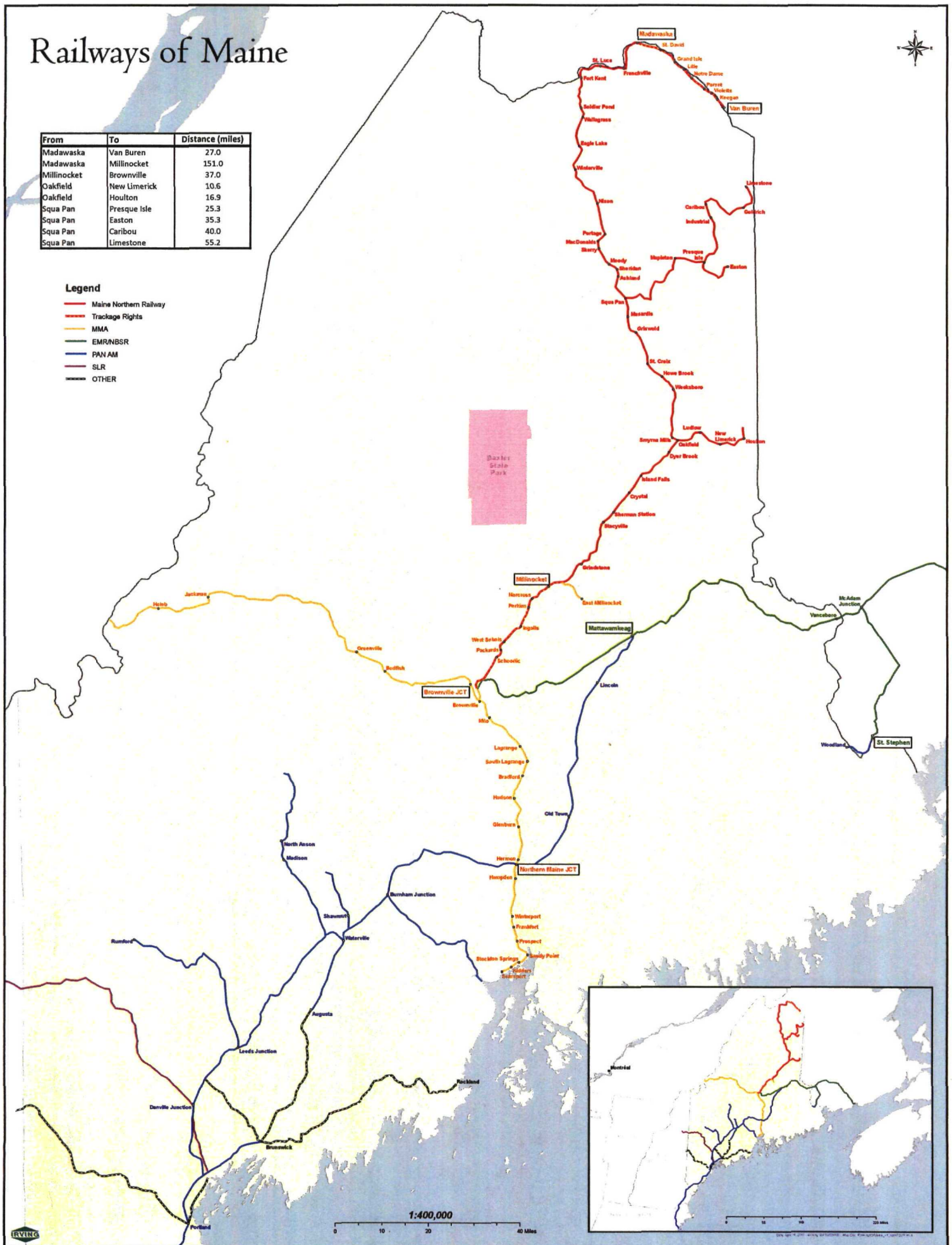


Exhibit 2

(letters of support)



STATE OF MAINE
DEPARTMENT OF TRANSPORTATION
16 STATE HOUSE STATION
AUGUSTA, MAINE 04333-0016

Paul R. LePage
GOVERNOR

David Bernhardt
COMMISSIONER

May 19, 2011

Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, SW
Washington, D.C. 20423

**RE: Finance Docket No. 35518, Maine Northern Railway Company –
Trackage Rights Exemption – Montreal, Maine & Atlantic Railway,
Ltd.**

**Finance Docket No. 35519, Maine Northern Railway Company –
Trackage Rights Exemption – Montreal, Maine & Atlantic Railway,
Ltd.**

**Finance Docket No. 35520, The New Brunswick Railway Company –
Continuance in Control Exemption – Maine Northern Railway
Company**

**Finance Docket No. 35521, Maine Northern Railway Company –
Modified Rail Certificate – in Aroostook and Penobscot Counties, ME**

Dear Ms. Brown:

I write to express my support for the efforts of Maine Northern Railway Company ("MNRC") to obtain the necessary approvals from the Surface Transportation Board ("STB") for commencement of rail operations in northern Maine. Rail service is critical to the region. Rail operations on rail lines owned by the State of Maine are currently provided temporarily by Montreal, Maine & Atlantic Railway, Ltd. ("MMA"). See STB Docket No. 35463. However, MMA operations will cease on or about June 14, 2011.



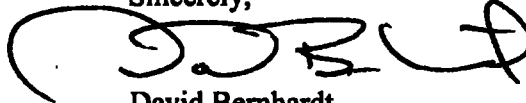
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5/19/2011

Page 2

To ensure that northern Maine is not left without rail service after June 14th, I urge the STB to establish an effective date of June 15, 2011 for all four proceedings mentioned above.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Bernhardt", with a large, sweeping initial "D" and a stylized "B".

David Bernhardt
Commissioner

May 19, 2011

Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, SW
Washington, D.C. 20423

**RE: Finance Docket No. 35518, Maine Northern Railway Company –
Trackage Rights Exemption – Montreal, Maine & Atlantic Railway,
Ltd.**

**Finance Docket No. 35519, Maine Northern Railway Company –
Trackage Rights Exemption – Montreal, Maine & Atlantic Railway,
Ltd.**

**Finance Docket No. 35520, The New Brunswick Railway Company –
Continuance in Control Exemption – Maine Northern Railway
Company**

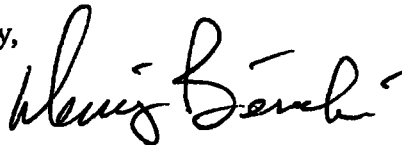
**Finance Docket No. 35521, Maine Northern Railway Company –
Modified Rail Certificate – in Aroostook and Penobscot Counties, ME**

Dear Ms. Brown:

I write to express my support for the efforts of Maine Northern Railway Company ("MNRC") to obtain the necessary approvals from the Surface Transportation Board ("STB") for commencement of rail operations in northern Maine. Rail service is critical to the region. Rail operations on rail lines owned by the State of Maine are currently provided temporarily by Montreal, Maine & Atlantic Railway, Ltd. ("MMA"). See STB Docket No. 35463. However, MMA operations will cease on or about June 14, 2011.

To ensure that northern Maine is not left without rail service after June 14th, I urge the STB to establish an effective date of June 15, 2011 for all four proceedings mentioned above.

Sincerely,



Denis Bérubé
Director of Planning & Transportation Services
Northern Maine Development Commission

May 19, 2011

Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, SW
Washington, D.C. 20423

**RE: Finance Docket No. 35518, Maine Northern Railway Company –
Trackage Rights Exemption – Montreal, Maine & Atlantic Railway,
Ltd.**

**Finance Docket No. 35519, Maine Northern Railway Company –
Trackage Rights Exemption – Montreal, Maine & Atlantic Railway,
Ltd.**

**Finance Docket No. 35520, The New Brunswick Railway Company –
Continuance in Control Exemption – Maine Northern Railway
Company**

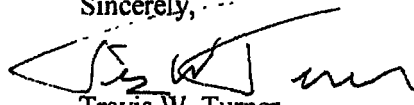
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Sincerely, . . .


Travis W. Turner
LP Building Products



Irving Forest Products, Inc.

300 Union Street, P. O. Box 5777, Saint John, New Brunswick E2L 4M3
Telephone: (506) 632-7777

May 19, 2011

Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, SW
Washington, D.C. 20423

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Rail Certificate – in Aroostook and Penobscot Counties, ME**

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Sincerely,

William C. MacLean
Treasurer



Irving Woodlands LLC

300 Union Street, P. O. Box 5777, Saint John, New Brunswick E2L 4M3
Telephone: (506) 632-7777

May 19, 2011

Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, SW
Washington, D.C. 20423

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